

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 176** HLS 17RS 695  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 11, 2017 7:19 AM	<b>Author:</b> LYONS
<b>Dept./Agy.:</b> Elderly Affairs	<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Eliminates \$100,000 Cap Per Parish Council	

ELDERLY OR +\$405,116 GF EX See Note Page 1 of 1  
 Eliminates the cap on the funding formula for voluntary parish councils on aging

Under present law, a funding formula is used to disburse state general fund to support the operation of each of the 64 Parish Councils on Aging (PCOAs) . Under the formula, the minimum per parish funding amount is \$37,500 or \$2.50 per parish resident 60 years or older, up to a cap of \$100,000. Proposed law eliminates the cap of \$100,000 per parish councils on aging. Proposed law becomes effective July 1, 2017.

<b>EXPENDITURES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$405,116	\$447,362	\$492,067	\$538,709	\$587,384	<b>\$2,470,638</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$405,116</b>	<b>\$447,362</b>	<b>\$492,067</b>	<b>\$538,709</b>	<b>\$587,384</b>	<b>\$2,470,638</b>

  

<b>REVENUES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed legislation is anticipated to increase state funding in Parish Councils on Aging (PCOAs) program within the Governor’s Office of Elderly Affairs (GOEA) by \$405,116 in FY 18. In present law, PCOAs are funded with state general fund in accordance with a state formula. The GOEA acts as a pass-through agency for PCOAs to receive funding. Under the formula, each parish receives \$2.50 per resident aged 60 years or older. The minimum amount a parish can receive is \$37,500 and the maximum amount is \$100,000. Presently, there are six PCOAs are capped at the maximum amount of \$100,000 - Caddo, East Baton Rouge, Jefferson, Lafayette, Orleans, and St. Tammany. In FY 19, Calcasieu is projected to reach the cap. Proposed law eliminates the \$100,000 cap per parish. With the elimination of the cap, the state funding is anticipated to increase by \$405,114 in FY 18. The projected increase in state general fund is based on an annual 3% growth rate in the number of residents aged 60 years or older. See table below represents increased funding to seven largest PCOAs over the \$100,000 cap.

	<u>Proposed Law</u> <u>FY 18</u>	<u>Proposed Law</u> <u>FY 19</u>	<u>Proposed Law</u> <u>FY 20</u>	<u>Proposed Law</u> <u>FY 21</u>	<u>Proposed Law</u> <u>FY 22</u>
Caddo	\$35,685	\$38,778	\$41,943	\$45,178	\$48,488
Calcasieu	\$0	\$2,430	\$5,553	\$8,770	\$12,085
East Baton Rouge	\$106,588	\$113,648	\$120,950	\$128,503	\$136,313
Jefferson	\$140,263	\$147,030	\$153,990	\$161,145	\$168,503
Lafayette	\$2,070	\$6,813	\$11,775	\$16,970	\$22,405
Orleans	\$82,840	\$93,963	\$105,763	\$118,280	\$131,560
St. Tammany	<u>\$37,668</u>	<u>\$44,700</u>	<u>\$52,093</u>	<u>\$59,863</u>	<u>\$68,030</u>
	\$405,114	\$447,362	\$492,067	\$538,709	\$587,384

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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**Staff Director**